

2.0

Existing Conditions:
Understanding the Challenge

Context

Wilmington's downtown is located on the Cape Fear River just 10 miles from the Atlantic Ocean. Convenient to major highways, including Interstate 40 and US Route 17, and the New Hanover International Airport, downtown is easily accessible from other parts of the region.

The City's Central Business District consists of approximately 50 blocks, situated between the Holmes and Memorial Bridges. The CBD extends irregularly east from the River to 4th and 5th Streets.

Although less than 10% of the City of Wilmington in area, downtown remains an important commercial, governmental, and cultural center for the region, with a mix of retail and residential uses. Historic buildings with a River backdrop provide a memorable experience.



*To know where
you are going,
you must know
where you are.*



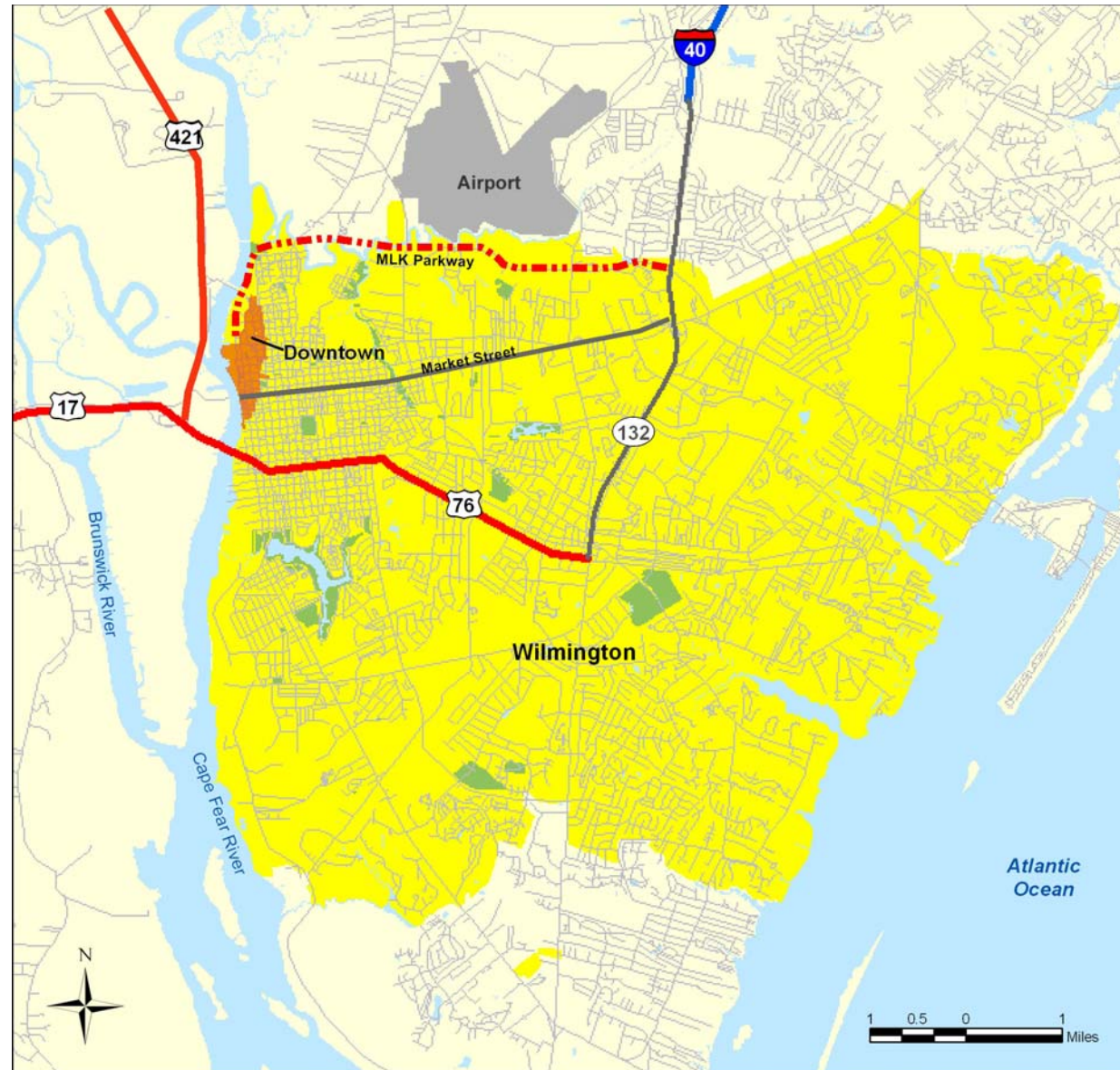
Historic buildings and a working Cape Fear River provide unique southern charm.



Visitors can enjoy any one of three nearby Atlantic Ocean beaches.



Architectural detail helps provide a memorable experience.





A trolley provides circulation throughout downtown.



Horse and carriage is a popular means of transportation for tourists.



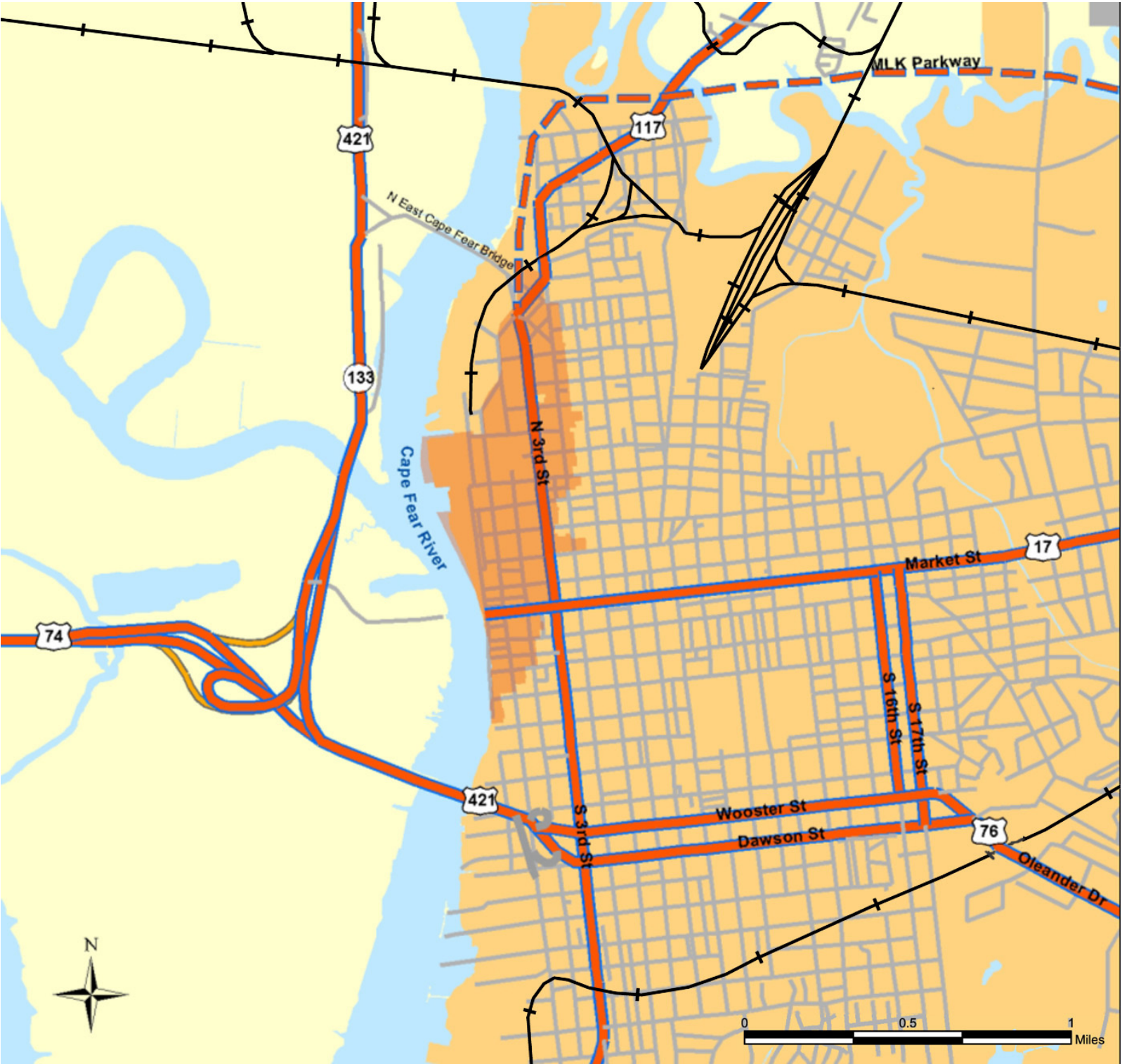
Completion of the Martin Luther King Parkway will improve access to downtown.

TRANSPORTATION

Downtown is prominently located in the greater Wilmington area and is easily accessible from major roadways. The newly completed Martin Luther King Parkway connects with 3rd Street at the northern entrance to downtown, providing primary access from Interstate 40. Access is also provided from the north by Route 117. Route 421/74 is the primary arterial from the south. Market Street is the major roadway from the east linking downtown to the rest of Wilmington. Two bridges flanking the CBD, the Holmes Bridge to the north and Memorial Bridge to the south, provide primary access to downtown from the west, including Route 421.

Roadways with the downtown core are arranged in a gridiron layout with primarily two-way vehicular movement. Traffic on Front Street is currently one-way northbound for several blocks, which is contrary to the new southbound traffic flow from Martin Luther King Parkway (scheduled for completion in 2005) to North 3rd Street. Portions of Water Street south of Market Street are one-way southbound.

Downtown is easily walkable, with trolleys and historic carriages available. While taxi service is available at the airport, it is not readily available downtown at all times.



Major access routes to downtown Wilmington.

VISITOR ATTRACTIONS AND EVENTS

Wilmington offers a number of attractions and cultural events for both tourists and local residents. The majority of visitors to the Wilmington area live in North Carolina.

One of the area’s greatest attractions is its nearby beaches. Wilmington is easily accessible from three beaches along the Atlantic Coast, including Wrightsville Beach, which is located 10 miles from downtown, Carolina Beach, and Kure Beach. Most downtown visitors are linking their trip with a visit to one of the three local beaches.

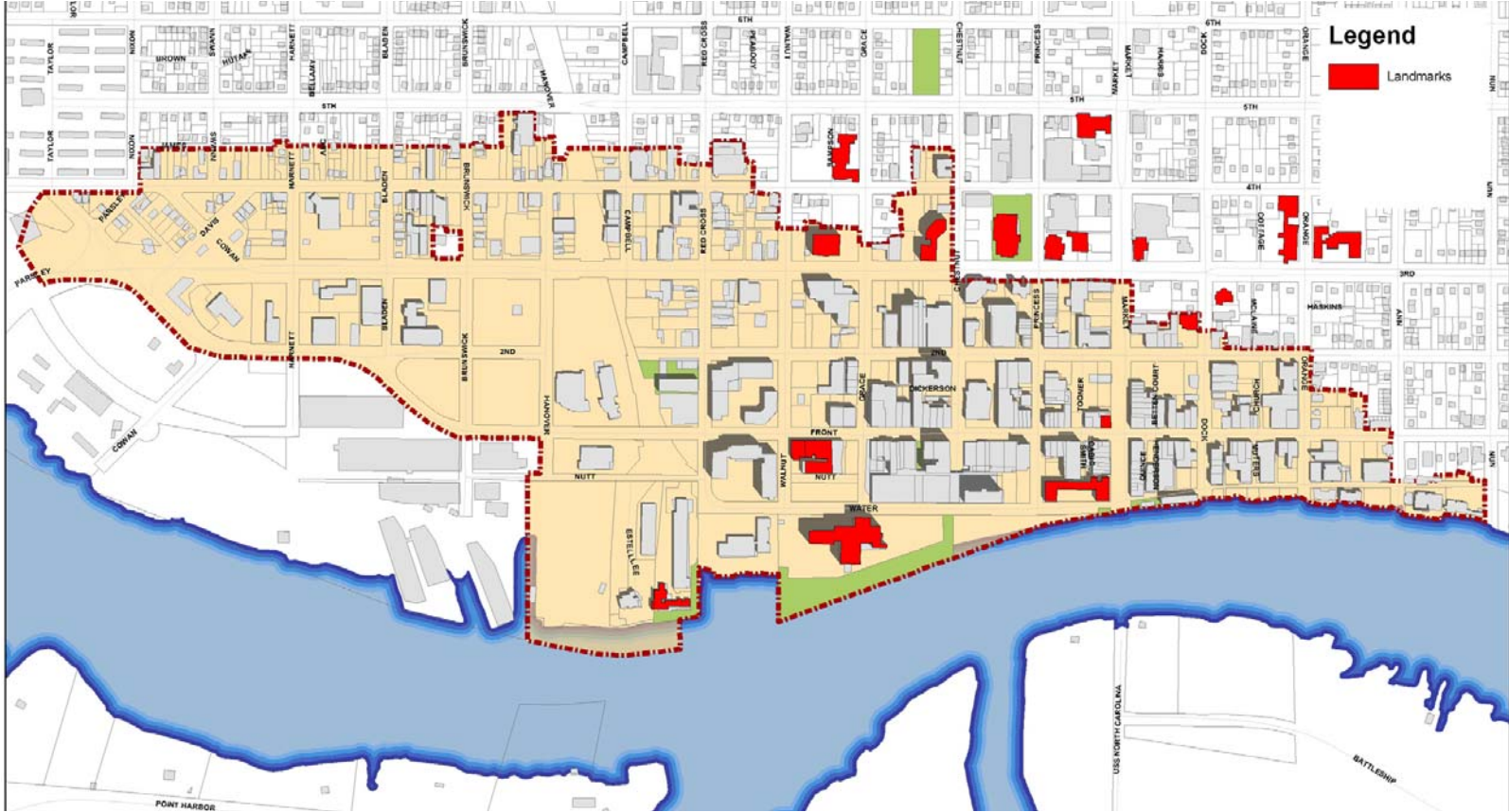


USS North Carolina

Another major attraction is the USS North Carolina. Located on the Cape Fear River’s west bank, the battleship draws approximately 250,000 visitors per year.

There are currently about 14 festivals and events planned throughout the year. Events range from larger annual events such as the Azalea Festival and the newly instituted Nautical Festival in the spring that draw people from all over the region, to the more local Riverfront Farmer’s Market and the Shindig at Sundown.

Wilmington’s Department of Parks and Recreation is the leading agency that manages festivals and other events held downtown. Non-profits or other groups that are interested in planning an event must first contact Parks and Recreation regarding schedule, permits and regulations. A growing arts community and increased interest in recreational boating also look favorable for the future.



Landmarks include buildings with high visitor rates and memorable open space.



Festivals and other events attract people downtown.

The Creative Class

Cities have and continue to be places where creativity reigns and diversity is valued. In his book, the *Creative Class*, Richard Florida suggests that the sector of the population that is highly educated, well-paid and tolerant of social differences—the creative class—is creating a new force that is stimulating economic growth in American cities.

The core of this class include scientists, engineers, university professors, poets and novelists, artists, entertainers, actors, designers, architects, nonfiction writers, editors, cultural figures, think-tank researchers, analysts, and other opinion-makers. Moreover, to attract and retain the creative class, cities must focus on quality of life issues, educational and cultural opportunities, and recreational resources.



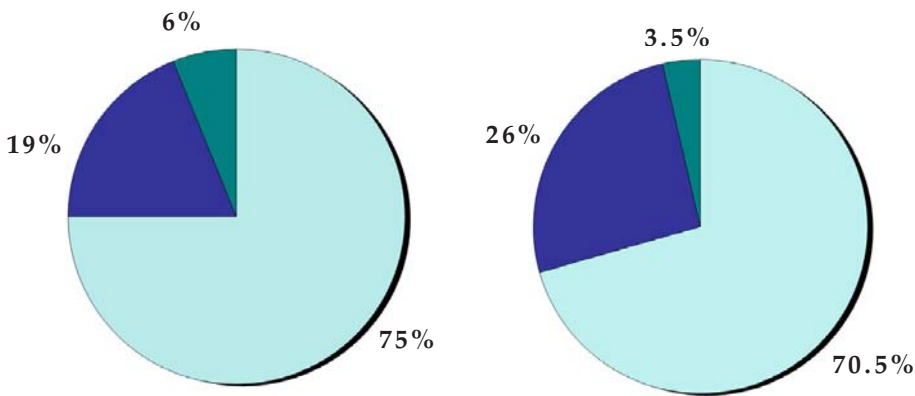
Socio-Economic Conditions

There is substantial additional capacity for a greater number of downtown residents. In 2000, the population in the CBD was less than one percent of the population for the City of Wilmington. Downtown’s 490 residents (as measure specifically within the CBD), are slightly older, more educated and have higher incomes than their suburban neighbors. The downtown population is also largely white with just over a quarter African American and a small percentage of Asian, Hawaiian, Hispanic and other races and ethnicities. As expected, the household size downtown is about 25% smaller than that for the rest of the City.

Although there are significant close-in neighborhoods and a population of nearly 2,500 residents within one-half mile of the corner of Market and Front Streets, downtown has not been receiving its share of growth. While population growth in the City of Wilmington increased by 37% from 1990 to 2000, it has only increased by about 17% downtown.

	City of Wilmington	Central Business District (CBD)
Population in 2000	75,838*	490
Change from 1990	37%	17% (estimate)
No of Households	34,359	310
Average HH Size	2.1	1.6
Median Age	34 years	38 years
Median Household Income	\$34,731	\$47,000 (estimate)
Level of Education	17% college	25% college

*excludes annexation
Source: City of Wilmington and ZHA, Inc.



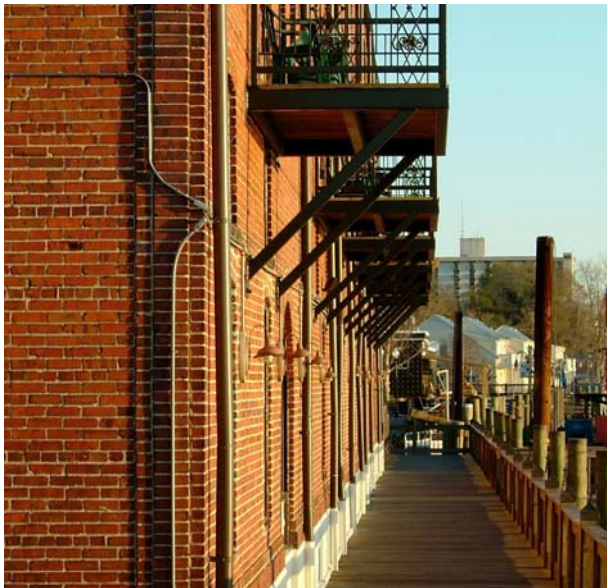
Population by Ethnic Background in the CBD (left) and the City of Wilmington (right).

White
Black
Other

Market Conditions



Partially vacant office building.



Downtown housing.

The housing market has been increasing slowly downtown. There are approximately 400 total dwelling units in the CBD and a low vacancy rate of 7%. Nearly 90 percent are rental units, mostly one-bedroom in size. Rent ranges from \$300 to \$1,600 per unit. In early 2003, average prices of for-sale units were about \$180,000. Real estate professionals indicate that interest in downtown housing is high but that inflated land values and the complexity of developing in a dense area is deterring development.

The downtown office market primarily consists of professional service firms. Major employers include Cape Fear Community College, several banks and Castle Branch, a security firm. There are few large companies located downtown. While much of Wilmington’s supply of office space is located downtown, recent corporate mergers and relocations out of downtown, such as the New Hanover County’s government offices, have raised concerns.

Demand for competitive office space outside of downtown Wilmington is growing since development is perceived to be generally easier and cheaper in the suburbs. The vacancy rate for rentable office space is estimated to be more than 25%. Average rents are \$13.13 per square foot. There is potential growth in the pharmaceuticals manufacturing, research and development

industries, professional services sector, maritime activities, and the film industry.

The recent purchase of property in the northern portion of downtown, including a portion of the Almont Shipping property, is encouraging for the office market. A major pharmaceuticals firm, PPD, is expecting to build their headquarters on the waterfront. PPD’s proposal to locate approximately 1,000 employees is expected to have a positive impact on downtown, generating new demand for the housing and retail markets.

The retail market has been stable in recent years relative to the other sectors. There are approximately 190 downtown retail businesses, including 33 bars or nightclubs. The vacancy rate is estimated at 13% and the average rental rates are \$15 per square foot. Store owners are increasingly concerned about the prolific number of bars and nightclubs downtown and their negative impact on business.

Wilmington attracts approximately 1.6 million visitors per year, primarily to the coastal beaches in the spring and summer months. Yet, the visitation market is largely unrealized downtown with only two business hotels and a handful of bed and breakfast inns. Business travelers are estimated to account for only 12% of the downtown visitation.

Land Use

ZONING

The downtown area is predominantly zoned as the Central Business District (CBD), though the northwestern portion of the area is zoned as Light Manufacturing. The Zoning Ordinance recognizes that the development of the CBD will be guided by the City of Wilmington Downtown Plan: Vision 2020. The Zoning Ordinance has adopted 17 supplemental regulations recommended by the Vision 2020 Plan, to be applied to areas within the CBD area but excluding those areas overlapping with the Historic District. The supplemental regulations cover a wide range of issues including building orientation and massing, height relationships, facades and street walls, parking and access, streetscape and landscaping and residential density. The Vision 2020 Plan also recommends rezoning the Light Manufacturing District north-west of downtown as the CBD zone.

SUB AREAS

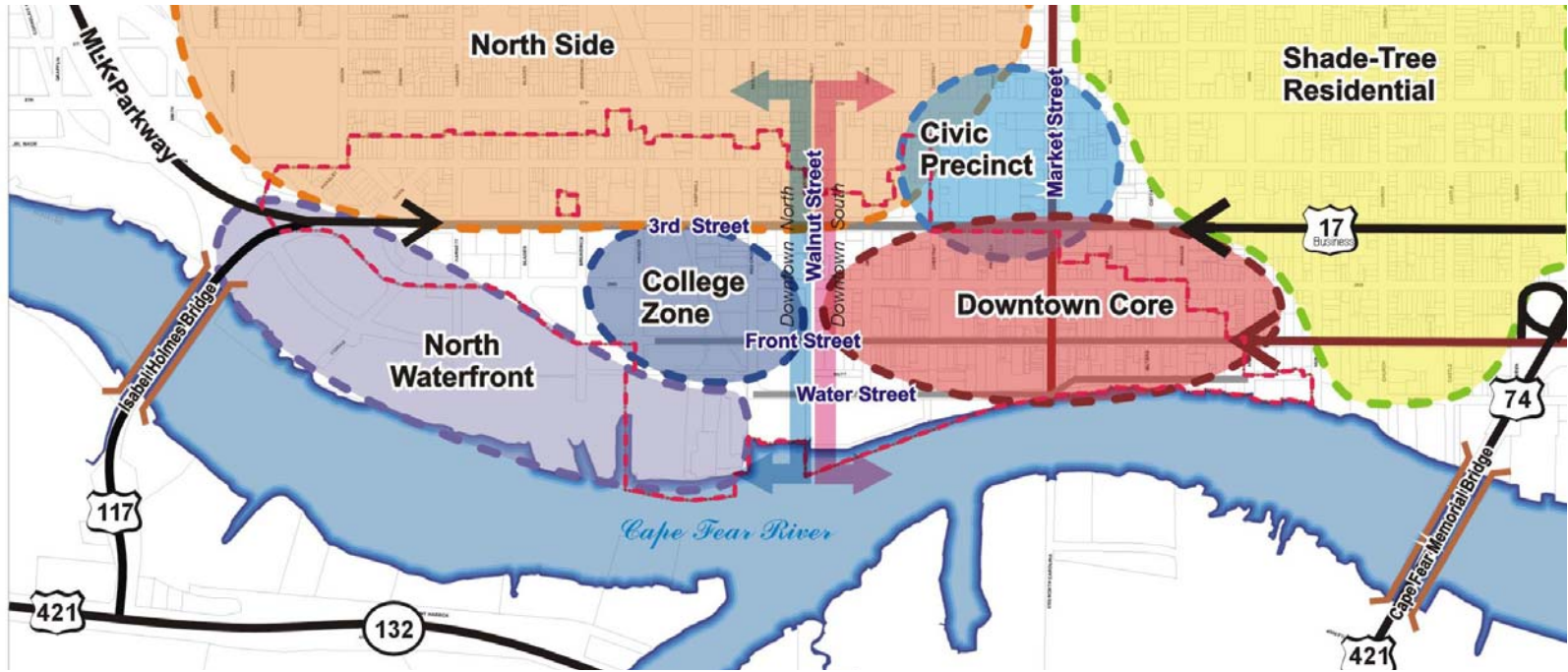
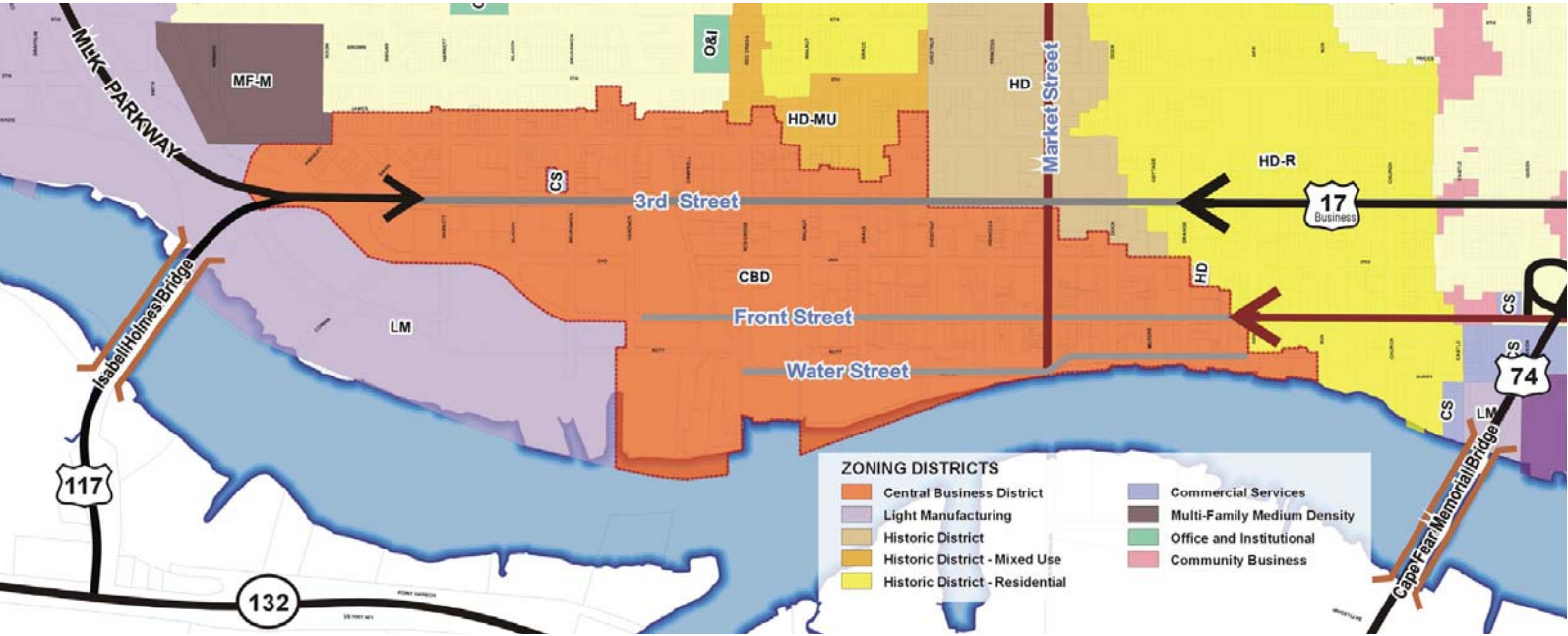
Downtown Wilmington can be characterized as a divided downtown, with the historic downtown core separated from the underutilized downtown north area by Walnut Street. Within and adjacent to downtown, there are six distinct sub-areas based on land use and the physical characteristics of buildings and street. The downtown core, the civic precinct, and the shade tree residential area are located to the south of Walnut Street; the north waterfront area, the college zone, and the NorthSide community are located to the north of Walnut Street. Some of these sub-areas are identified with official neighborhood names, while others have been designated for the purposes of this plan, which primarily addresses the downtown core and the north waterfront area, although

relationships with adjacent areas are considered. The downtown core is characterized by a largely historic building stock used for mostly commercial retail and office purposes. The largest downtown hotel is also located in this area. Selective infill development sites are available in the downtown core. Several buildings have multiple uses, either with commercial office or residential uses on the upper floors. Residential uses are mostly multi-family and account for 4 percent of the uses in this area.

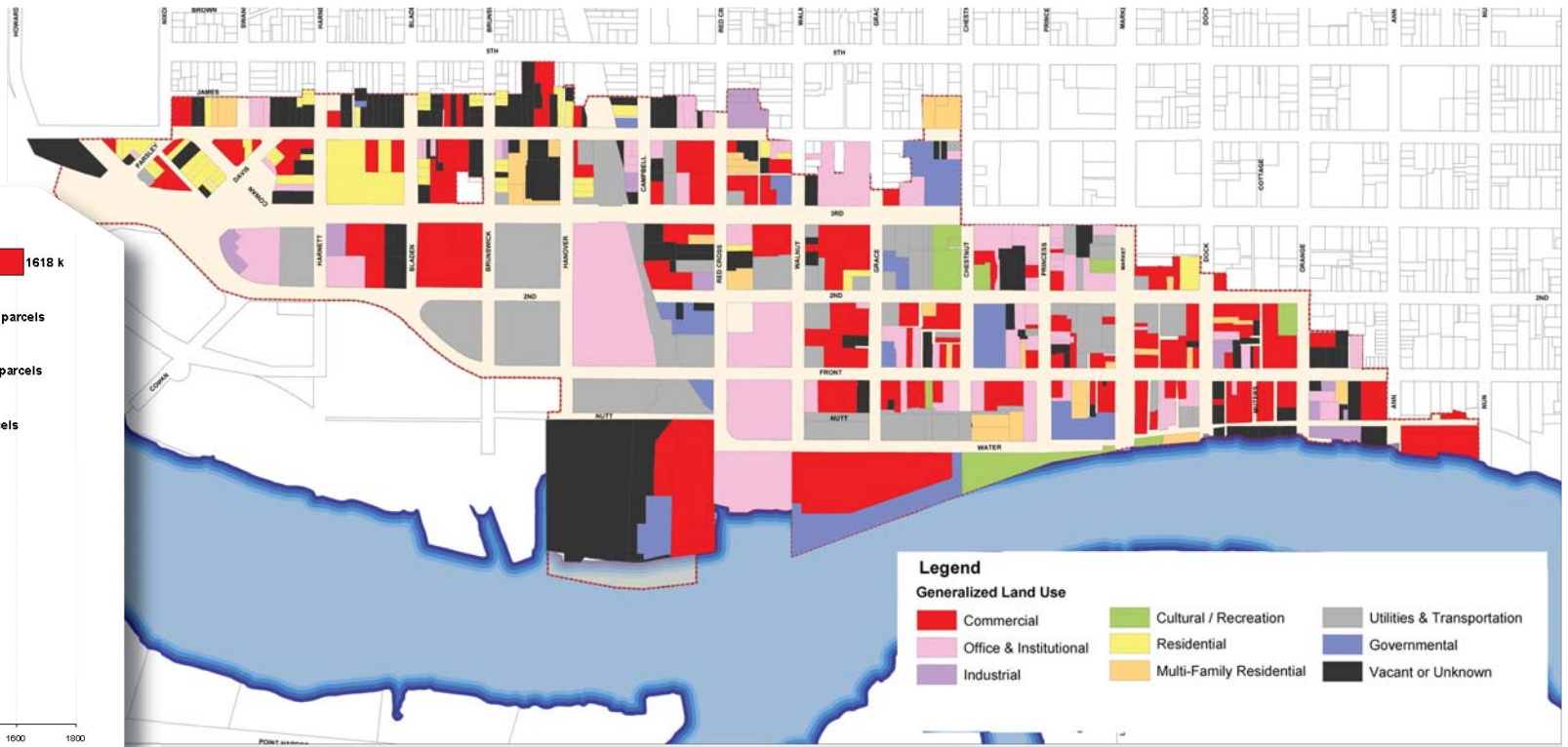
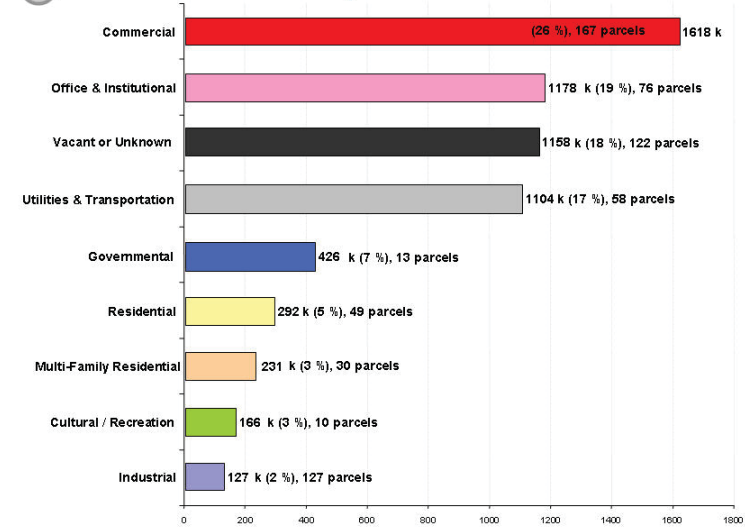
The adjacent civic precinct, which is located east of 3rd Street, consists of government and arts uses, including the City government offices, the county courthouse, Thalian Hall, and the city library. The shade tree residential area is a neighborhood to the south and east of downtown, consisting of large historic single-family homes on streets with mature trees.

The portion of downtown located north of Walnut Street includes the north waterfront area and the college zone. It is characterized by industrial uses and underutilized land, including the Almont Shipping site, the Dean Hardwoods site, the urban setting for Cape Fear Community College, vast surface parking lots, and vacant land parcels. One of downtown’s two hotels is also located in this area. Much of this area, particularly the north waterfront, is suitable for new development.

The adjacent NorthSide community is the northern gateway to Wilmington’s historic downtown. The NorthSide area consists primarily of modest single-family homes and the Robert Taylor Homes site, as well as the North 4th Street community retail corridor. The NorthSide area is currently implementing a revitalization plan.



CBD Land use Summary

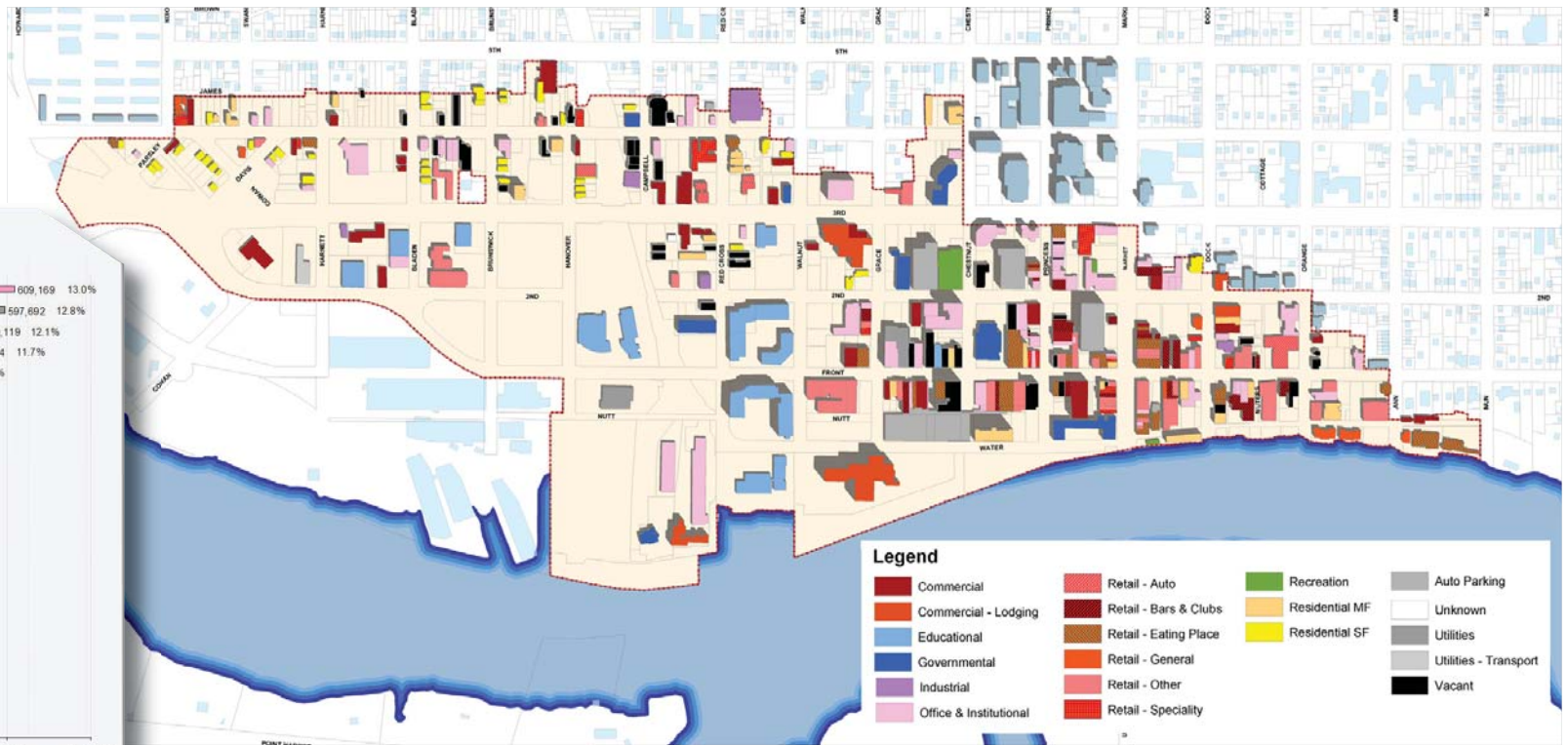
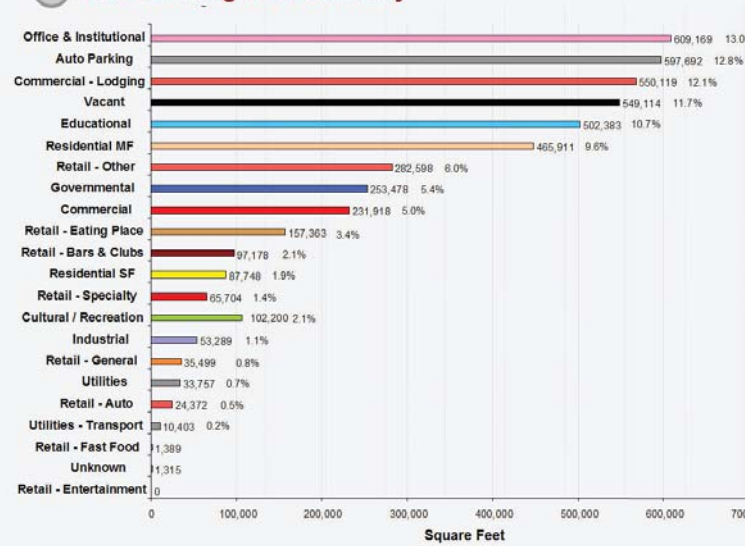


AREA DISTRIBUTION

The CBD area covers 210 acres of land area and includes 538 parcels. The major land uses within the CBD are commercial (26%), office and institutional (19%), vacant (18%) and governmental (7%). The CBD Land Use Summary graph indicates the land use distribution.

The CBD has approximately 4 million square feet of built space distributed in 390 buildings. Floor space by buildings is summarized in the CBD Building Summary graph. Office and governmental space use accounts for nearly 860,000 SF, Commercial Retail for 640,000 SF and Education 500,000 SF while approximately 550,000 SF of space is vacant and nearly 600,000 SF is devoted to parking decks within the CBD. As evident from the building use map, the downtown core has a vibrant mix of uses, especially along Front Street. Areas north of Walnut Street are more sparse, leading to a perception of an ‘incomplete downtown’. Also noticeable is the lack of entertainment uses (movie theaters, galleries, etc.) and the low proportion of retail square footage within the CBD core. For example, the downtown core does not have a grocery store, full-service drug store, pre-school or child care center, health club, or video store.

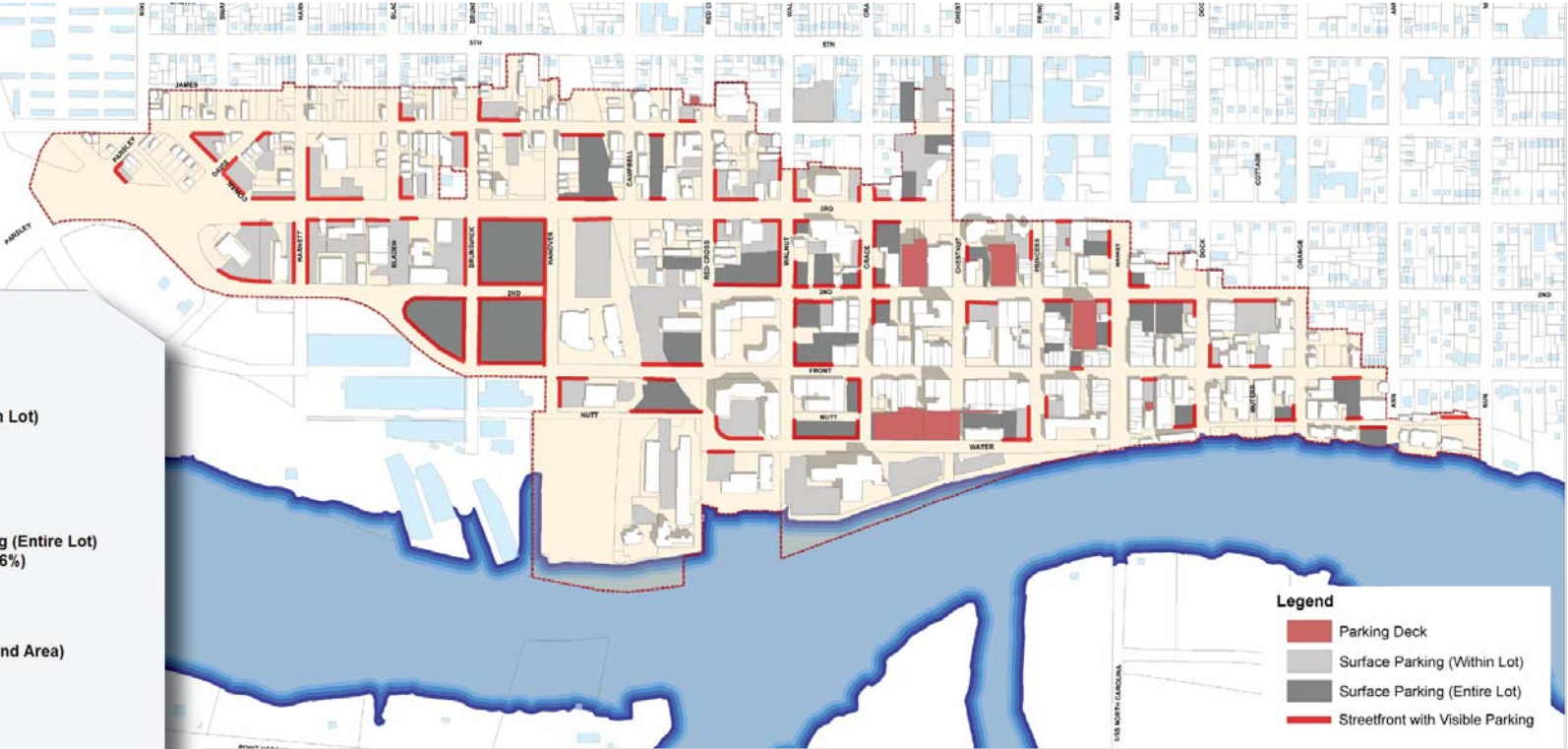
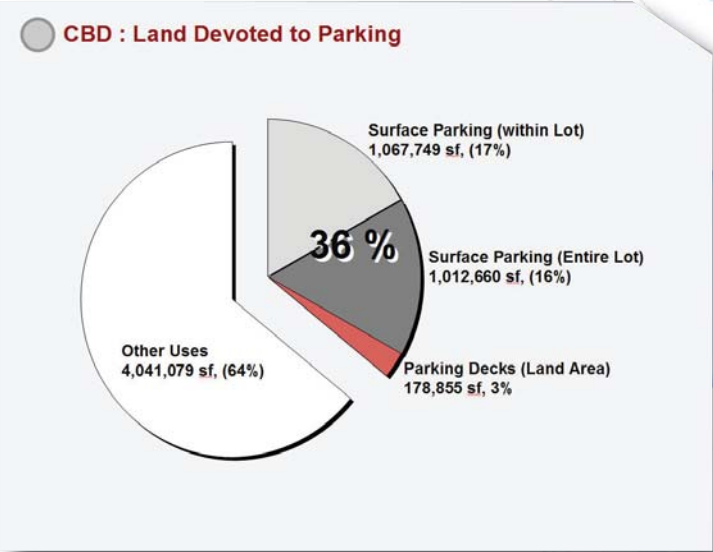
CBD Building Use Summary



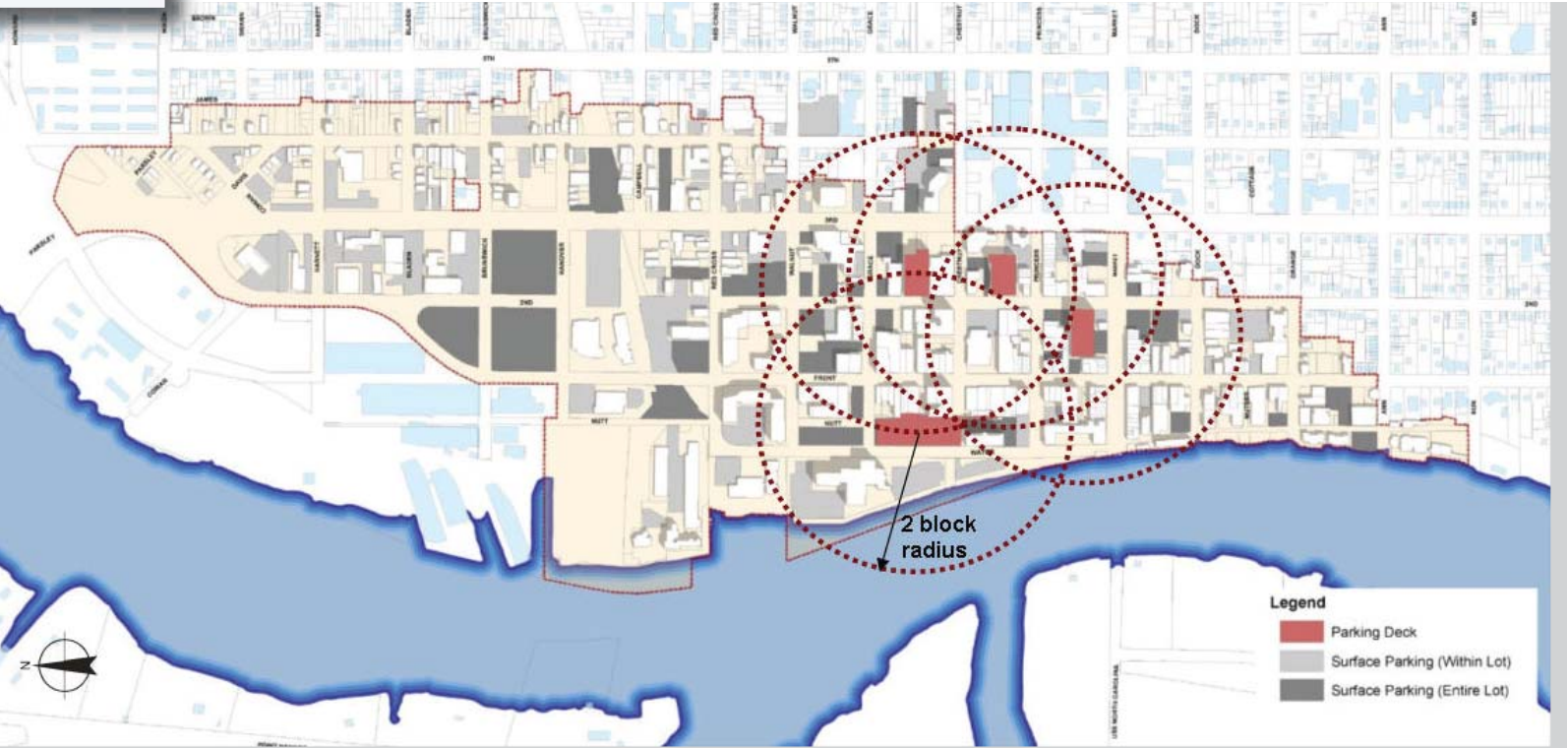
PARKING

There is an overabundance of surface parking downtown. Over 36 percent of the CBD consists of surface parking (approximately 2 million square feet of land area), and 33 percent of all street frontage downtown consists of surface parking lots.

Four parking decks are located in the downtown historic core, three of which have been constructed since 1997, when the first Vision 2020 Plan was completed. The oldest of the four decks, the Water Street parking deck, located between Grace and Chestnut Streets, is proposed for replacement. The three other parking structures provide approximately 1,570 sheltered spaces. Despite the abundance of available parking



A new parking garage on 2nd Street (shown here under construction in a view from Market Street) opened in Summer 2004.



Development Opportunities



Developable lots and vacant buildings create an unattractive streetscape.

Several opportunities for both new and infill development exist downtown. Since the downtown core area is relatively developed, redevelopment would consist primarily of the infill development of smaller parcels. These include sites at 2nd and Dock Streets, 2nd and Orange Streets, Water and Princess Streets, and Water and Orange Streets. Two land parcels located along Water Street are used as surface and deck parking. The surface parking lot located behind the Cotton Exchange complex is underutilized

as a land parcel proximate to the water's edge, and should be redeveloped to a higher and better use. The Water Street parking deck is incompatible with the historic core, and should also be redeveloped to a higher and better use.

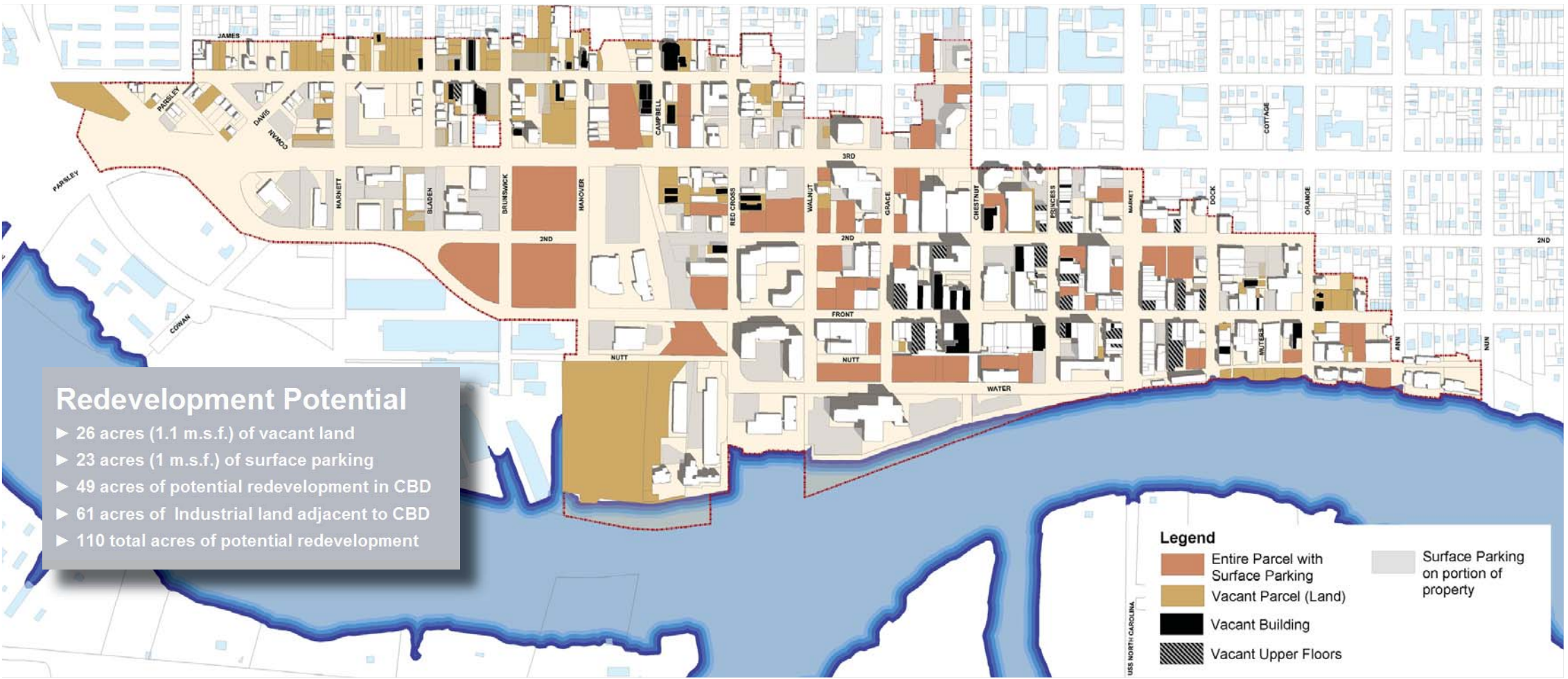
Larger development sites are located north of Walnut Street, in the north waterfront area. A few of these open parcels are owned by the Cape Fear Community College (CFCC) and are presently used as surface parking lots for students and faculty. Other parcels in the north waterfront area

are currently used for industrial activities that are incompatible with the future vision of downtown and will not be the highest and best uses.

The CFCC land parcels currently used for surface parking are located north of Red Cross Street. Most CFCC users live outside the downtown core and therefore require daily parking to attend class. While demand for student and faculty parking is expected to remain high in the future, surface parking will not always be the highest and best use for this land. As downtown land values continue to rise, and demand for living and working downtown grows, it will eventually make more economic sense for CFCC to consolidate its student and faculty parking onto fewer land parcels in the form of structured parking. The sale of remaining parcels could help subsidize the construction of parking decks and other program needs.

Almont Shipping's industrial uses located in the north waterfront area are not the highest and best use for a growing waterfront downtown that is envisioned as the region's premier place for living, working and playing. Almont's recent sale of several parcels to PPD is an indicator of the increased demand for urban waterfront property.

Other potential development sites in the downtown north area include the parcels west of Nutt Street at Hanover and Harnett Streets, and a site at 3rd and Campbell Streets.



Urban Design

The historic scale, massing, and architectural detail characterizing most of the downtown building stock contribute to a charming, pedestrian-friendly setting in much of the downtown core. Streetscapes with particularly strong character include: Front Street between Orange and Walnut Streets, Market Street west of 2nd Street, and a section of Princess Street near 2nd Street. Other streets have great potential but currently do not provide a high-quality pedestrian experience, either due to vacant land parcels that interrupt the streetscape or because of poor architectural quality.

Despite scattered visual attributes, the overall visual perception of downtown is weakened because the quality of the visual environment is inconsistent. Most downtown streets lack trees, street furniture, and flowers. Several east-west streets either terminate abruptly with structures that block river views, or include vistas of unsightly parking lots. The overabundance of surface parking lots, especially along street frontages, creates unattractive voids in the streetscape. This creates a negative impression that challenges the more positive feelings associated with the downtown core.

Nondescript buildings constructed without high-quality materials and lacking in architectural detail are insensitive to Wilmington’s rich architectural past, counter to a dynamic and livable urban community, and create a negative sense of place. Some of the more recent buildings, such as the Hilton Hotel, are incompatible

with the historic core, monotonous in design, and create an unwelcoming pedestrian experience. The lack of a design review process for areas outside of the downtown historic district further contributes to mediocre development.

Older buildings with architectural significance located outside of protected historic districts are vulnerable to undesirable alterations that could leave an indelible mark on both the structure and the streetscape. The potential loss of craft or irreplaceable materials from a bygone era would have a serious impact on the urban fabric. Therefore, local historic district designation of structures in the other appropriate portions of downtown could help prevent future destruction.

The potential gateway entrances into downtown currently lack identifiable features to convey a sense of arrival. While Market Street is an elegant approach from the east (beginning at 16th Street), the entry transitions at either river bridge are weak because industrial uses are the first impression. The new entry offered by Martin Luther King Memorial Parkway at 3rd Street corridor also does not currently offer an entry character suitable for announcing downtown.

Overall, due to the incomplete nature of the urban fabric, limited views of the River, excessive and highly visible parking areas, poorly designed newer buildings, a lack of street furnishings, and weak gateway features, the lasting visual perception of downtown and the resulting urban experience is moderate.



Some streets do not reflect the unique character that helps define Wilmington.



Improving the quality of design, including greater architectural detail and a more open street edge, will strengthen the urban fabric of downtown.



Waterfront open space is needed so that the construction of new buildings over the river’s edge won’t crowd the waterfront.



Well-designed signage contributes to the overall pedestrian experience.



This urban design analysis identifies key street corridors with river vistas (depicted with red arrows), landmark buildings (noted in red), historic districts (outlined in red), shade-tree neighborhoods and parks (depicted in green), and a desirable streetwall created by primarily historic buildings (identified in black).

BUILDING DENSITY

The density of a city is determined by the scale of its buildings, as measured by height and mass, and the relative closeness of its buildings to each other in terms of setbacks and street widths. Building density can significantly affect the look and feel of a city.

Tall, massive buildings (typically with 17 floors or more) can negatively affect the visual environment of a city if they block important views or special features, or if they overwhelm historic low-scale buildings and lack design sensitivity to setbacks, materials and architectural details.

Existing building heights in downtown Wilmington range between 12 and 108 feet; however, the majority of buildings in the historic core are three to four stories high and few

buildings are more than 8 floors. As a result, downtown Wilmington has a pedestrian scale.

Some of the tallest buildings in downtown Wilmington are among the most attractive, with well-designed proportions, interesting features, and articulated details. A greater problem than height is the newer, medium-scaled buildings that lack architectural quality or contextual sensitivity, including inappropriate materials, weak fenestration, or blank walls at the street level. In addition, a few of the newer buildings on South Water Street are located adjacent to the river and in some cases create a crowded condition along the waterfront. This condition is exacerbated when a building obstructs River vistas from public street corridors.



Poor connections confuse the pedestrian and effectively create a barrier between the waterfront and the rest of downtown.



Well-designed buildings help to create a strong sense of place.



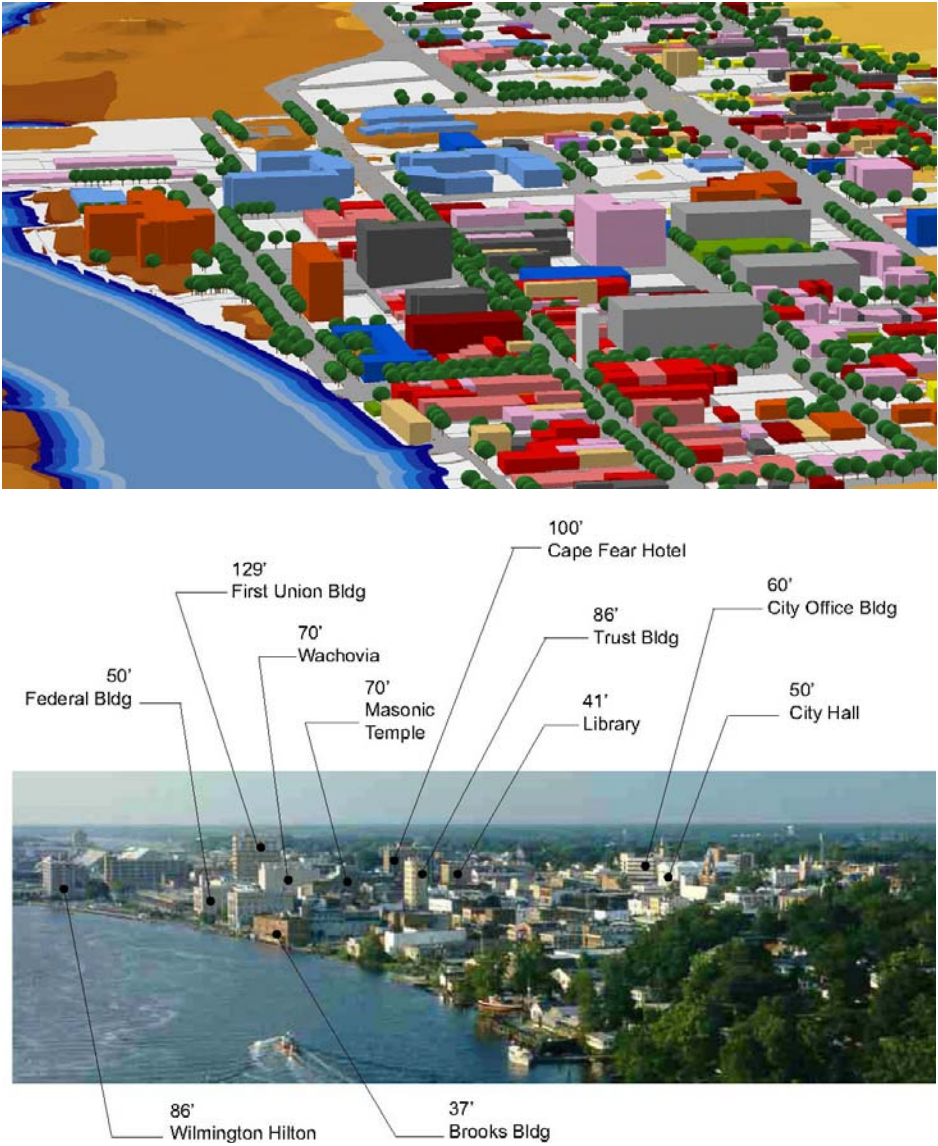
Architectural detail at ground level heightens the pedestrian's experience.



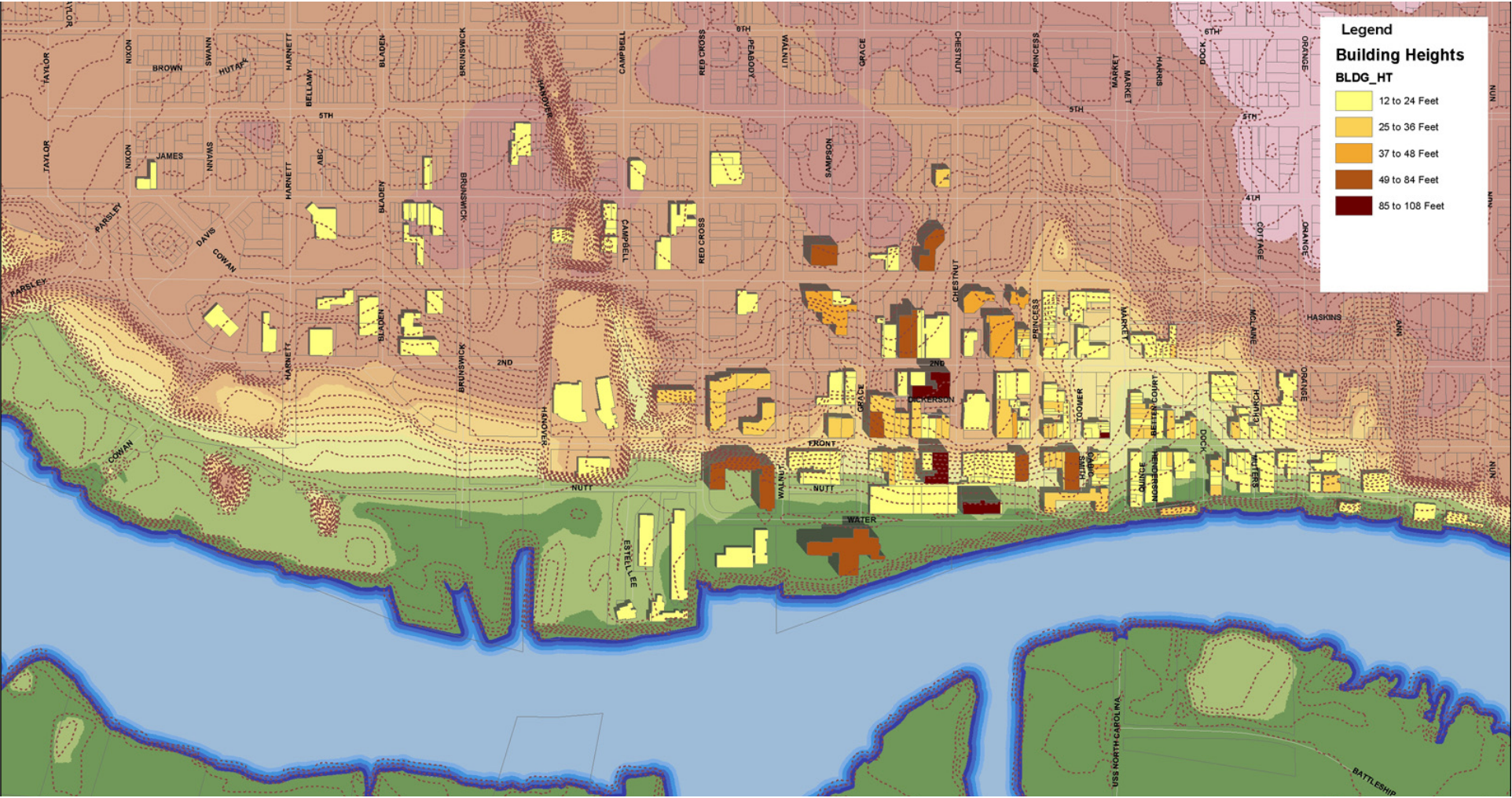
Several buildings designed as 10 or more stories punctuate the Wilmington skyline.



Buildings with blank walls and weak fenestration (window or doorway openings) are greater threat to the urban fabric than tall buildings.



Illustrations of downtown building heights color-coded by use (top) and annotated by building name (below).



Existing building heights and topography, with the tallest buildings and highest elevations indicated in brown.

Open Space

Parks, trails, and scenic open space can help beautify an area, provide a means for leisure, recreation or entertainment, and create a positive identity. Open space is a defining element in a successful city plan. Well-designed parks and open spaces for public use and enjoyment have tangible benefits, often stimulating other uses and increasing the value of an area. Trails can be used to link downtown to other desirable locations such as the beach or other natural areas. People who use open space trails enjoy documented health benefits and are frequently enticed to spend money at other nearby locations.

There are few parks located downtown. Riverfront Park, located along Water Street, is a medium-sized open space with seating areas and a view to the river. The segment of Water Street at this location helps create a larger space for events. This park has potential for expansion to accommodate a wider variety of uses.

A second park is Bijou Park, a small pocket park located off Front Street between Grace and Chestnut Streets with challenging access to Water Street by way of the Water Street Parking Deck.

The Riverwalk is a welcomed first step in helping people gain access to the waterfront. Envisioned as a continuous public right-of-way between the Holmes and Memorial Bridges that is punctuated by a series of pocket parks, construction of the Riverwalk is only partially complete. Recent banner and lighting additions to the Riverwalk enhance this right-of-way as a place for public use and enjoyment. The construction of the Riverwalk has already enticed more local residents to visit downtown.

While the Riverwalk provides an opportunity to reclaim the waterfront as a public amenity, and thereby serve as a stimulus for economic development and tourism, in many places it is narrow (8’ wide) and not connected to

Water Street. Furthermore, in several places, new development is crowding the River. As a result, expansive open space along the waterfront is lacking — there are no large usable green parks adjacent to the River and the pocket parks are inadequate for public recreation. In addition, the pocket parks do not maximize their potential as places for interpretative education on local history or ecology or artistic expression. Thus, while the Cape Fear River is the foundation for Wilmington’s identity, it has not yet been fully realized as an open space amenity.

The River to the Sea Bikeway provides bicycle access from Market and Water Streets at the Cape Fear River to North Lumina Avenue at Wrightsville Beach. However, it is not grade-separated from the highway and, therefore, not enjoyable for joggers, skaters, or pedestrians. There are also no bicycle rental services located at each end of the bikeway.



The Riverwalk is intended to provide continuous access to the waterfront.



The existing Riverfront Park consists of approximately 2 acres of hardscape on Water Street between Market and Chestnut Streets.



Bijou Park consists of nearly 0.1 acres located on the 300 block of North Front street.

Historic Preservation

Historic preservation has been a priority for the City since the 1960s when it first established an Architectural Review Board (now the Historic Preservation Commission or HPC). During the 1970s, the Downtown Area Revitalization Effort (DARE, now known as Wilmington Downtown, Inc.) initiated several adaptive reuse projects that helped sustain the urban core after the relocation of the railroad, including the renovation of the Cotton Exchange and Chandlers Wharf. Since that initial revitalization effort, several historic surveys have been conducted as a prelude for the establishment of local and national historic districts. There are currently three local historic districts and one National Register district located in the core of downtown (additional local

districts are located immediately east of downtown). The downtown districts and their zoning designations include:

- Wilmington National Register Historic District
- Downtown Commercial Historic District Overlay (HD-O)
- Theatre Historic District (HD)
- Residential Historic District (HD-R)

DESIGN REVIEW

Design review is mandatory in the City's three local historic districts. Projects involving new construction, demolition, relocation, or exterior changes to existing buildings and surrounding

grounds must be reviewed and approved by the HPC. The Planning Division assists applicants with design consultation and makes recommendations to the HPC. The City has published design guidelines (updated in 1999) that are intended to provide clear guidance to applicants. Initial appeals of HPC decisions may be made to the City's Board of Adjustment within 10 days of the HPC's decision; subsequent appeals are made to the Superior Court of New Hanover County. Design review by the HPC is not required for projects located outside of the three local historic districts. The State Historic preservation Office (SHPO) reviews federal projects located within the National Register Historic District.



Perspectives on Design Review

BACKGROUND

Design review in the United States occurs for both historic and non-historic properties. In historic districts, design review is usually administered by local historic preservation or planning staff who make recommendations to a Historic Preservation Review Board or Landmarks Commission for full approval. Local historic preservation groups or committees often coordinate with local government staff as part of this process. The legal basis for historic district review has been firmly established in case law. The Secretary of Interior’s Standards for Historic Preservation and supplementary guidelines further define principles and criteria for evaluating projects.

Design review outside historic district or landmark review usually follows process similar to design review that is attached to historic preservation, with the final review body being the Planning Commission. The difference is that while historic preservation is always related to the public policy goal of preserving and protecting historic buildings, design review for non-historic purposes is related to aesthetics or revitalization in the general welfare and interest of the public. It is up to individual localities to determine if they should create design guidelines

TYPES OF DESIGN REVIEW

Design review for aesthetic control can be implemented in three ways: 1) as a condition of ownership, 2) as a condition of public action, or 3) as a general requirement. Each method could be applied to the City of Wilmington.

When design review is administered as a condition of ownership, one entity wishing to sell property to another entity can attach certain conditions as part of the real property transaction, including design review. This method is used when a public entity sells property to a private entity for redevelopment. It is also used by private communities wishing to maintain certain design standards. Thus, if certain buildings were to be condemned in Wilmington for sale to a private developer, the City could create a design review process as part of that process.

When design review is administered as a condition of public action, a property owner applying for a special review or exception (i.e., when a project is categorized as not by-right development), such as a variance from zoning or planned unit development, such an application triggers design review. The City could alter its zoning ordinance to require design review in specific instances. Projects requiring discretionary approval, as well as any city action or subsidy, should be reviewed by the Urban Design Review Board. The City could also create a local grant program to provide financial incentives to owners who adhere to design review guidelines.

When design review is administered as a general requirement, it is governed by an overarching “police power” of the state, which then delegates that power to the local authority. In this type of design review, in particular, it is important to define clear and objective design review criteria to avoid inconsistent rulings. This will help sustain decisions made on behalf

of the public’s welfare should there be a legal challenge.

APPROACHES TO DESIGN REVIEW

The approach to design review can range from self-administering to discretionary. In selecting an urban design review model for the City of Wilmington, the City should consider certain factors relative to the unique characteristics of the City’s social, economic and political environment. Factors include the number of resources available within government to support review, the education and expertise of potential board members, and the level of political acceptance for instituting design review.

A fully self-administering design review process would include the use of detailed guidelines to explain criteria by which the review authority would judge the project. This approach is typical when there is low political support and limited resources available to support the design review process. A fully discretionary design review process would give full power and authority to the design review body. This approach is typical when there is high political support and high resources available to support the design review process.